

Introduced by Senator Rosenthal

February 27, 1997

An act to add Section 1366.1 to the Health and Safety Code, and to add Section 10112.7 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 955, as introduced, Rosenthal. Health care coverage.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Commissioner of Corporations. Existing law also provides for the regulation of policies of disability insurance by the Insurance Commissioner. Existing law requires that health care service plan contracts and disability insurance policy contracts meet certain requirements. Willful violation of the Knox-Keene Health Care Service Plan Act of 1975 or related regulations is a crime.

This bill would require, as of July 1, 1998, every health care service plan to accept electronic signatures for purposes of enrollment and every policy of disability insurance to accept electronic signatures for purposes of any application for a policy that covers hospital, medical, or surgical benefits. By changing the definition of a crime for violation of the Knox-Keene Health Care Service Plan Act of 1975, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1366.1 is added to the Health and
2 Safety Code, to read:

3 1366.1. Every health care service plan shall accept
4 electronic signatures for purposes of enrollment as of July
5 1, 1998.

6 SEC. 2. Section 10112.7 is added to the Insurance
7 Code, to read:

8 10112.7. Every policy of disability insurance shall
9 accept electronic signatures for purposes of any
10 application for a policy that covers hospital, medical, or
11 surgical benefits as of July 1, 1998.

12 SEC. 3. No reimbursement is required by this act
13 pursuant to Section 6 of Article XIII B of the California
14 Constitution because the only costs that may be incurred
15 by a local agency or school district will be incurred
16 because this act creates a new crime or infraction,
17 eliminates a crime or infraction, or changes the penalty
18 for a crime or infraction, within the meaning of Section
19 17556 of the Government Code, or changes the definition
20 of a crime within the meaning of Section 6 of Article
21 XIII B of the California Constitution.

22 Notwithstanding Section 17580 of the Government
23 Code, unless otherwise specified, the provisions of this act
24 shall become operative on the same date that the act
25 takes effect pursuant to the California Constitution.

